

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 1035 Personalized Education  
**SPONSOR(S):** Education Committee; Sullivan and others  
**TIED BILLS:** None **IDEN./SIM. BILLS:** SB 968

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) PreK-12 Innovation Subcommittee	11 Y, 0 N	Healy	Healy
2) PreK-12 Appropriations Subcommittee	13 Y, 0 N	Seifert	Potvin
3) Education Committee	14 Y, 1 N, As CS	Healy	Hassell

### SUMMARY ANALYSIS

In 2016, the Legislature created the Competency-Based Education Pilot Program within the Department of Education (DOE) to provide an educational environment that allows students to progress based upon the mastery of concepts and skills. The Commissioner of Education was authorized to waive State Board of Education rules relating to pupil progression and the awarding of credit. Applications to participate were limited to the P.K. Yonge Developmental Research School and the Lake, Palm Beach, Seminole, and Pinellas County school districts.

The bill:

- Renames the Competency-Based Education Pilot Program to the Mastery-Based Education Pilot Program.
- Allows any district in the state to submit an application to DOE to participate.
- Authorizes districts participating in the pilot program to use an alternative interpretation of letter grades to measure student success in grades 6-12. The alternate system must meet specific requirements and be approved by the district school board.
- Allows districts to determine and award one full credit toward high school graduation based on the student's mastery of core content and skills without meeting the current minimum requirement of 135 or 120 hours of bona fide instruction to award one full credit.
- Requires the statewide articulation agreement to ensure fair and equitable access for high school graduates with mastery-based, nontraditional diplomas and transcripts.

The bill expands the allowable uses of Gardiner Scholarship funds to include:

- Part-time tutoring by a person with a bachelor's degree or graduate degree in the subject area in which instruction is given; and
- Tuition and fees associated for a nationally or internationally recognized program for children with a neurological disorder or brain damage.

The bill also establishes the Reading Summer Scholarship Account to provide a struggling reader with a scholarship to customize a reading program to improve his or her reading skills.

The bill appropriates \$9,700,000 in recurring funds from General Revenue to fund the reading scholarship accounts and an additional \$300,000 in recurring funds from General Revenue for the administrative fee for the participating SFOs. The allocation of these funds is contingent upon CS/HB 7055 or similar legislation in the 2018 Regular Session of the Legislature or an extension thereof failing to become law.

The bill has an effective date of July 1, 2018.

**This document does not reflect the intent or official position of the bill sponsor or House of Representatives.**

**STORAGE NAME:** h1035e.EDC

**DATE:** 2/16/2018

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Competency-Based Education Pilot Program**

###### Present Situation

In 2016, the Legislature created the Competency-Based Education Pilot Program within the Department of Education (DOE) to provide an educational environment that allows students to progress based upon the mastery of concepts and skills. The purpose of the program is to provide an educational environment that allows students to advance to higher levels of learning upon the mastery of concepts and skills.<sup>1</sup> Participation was limited to the P.K. Yonge Developmental Research School and the Lake, Palm Beach, and Pinellas County school districts.<sup>2</sup>

The DOE was required to:

- Develop an application
- Compile student and staff schedules of participating schools before and after program implementation.
- Provide participants access to statewide, standardized assessments.
- Provide an annual report to the Legislature and the Governor, by June 1, summarizing the accomplishments of the program and recommendations for statutory revisions.
- Adopt rules to administer this program.<sup>3</sup>

In order to facilitate innovative practices, and to allow local selection of educational methods, the Commissioner of Education has the authority to waive, upon district request, provisions relating to district school instruction.<sup>4</sup> Additionally, for districts participating in the competency-based pilot program, the State Board of Education may authorize the Commissioner of Education to grant an additional waiver of rules relating to student progression and the awarding of credits.<sup>5</sup>

Four of the five eligible districts chose to participate in the 2016-2017 school year, and one district chose to use Fiscal Year 2016-2017 as a planning year. Districts reported varying levels of progress across the following components:

- Communication Plans
- Professional Development
- Student Progression
- Digital and Blended Learning
- Allocation of Resources

Across four districts, components of the pilot program were implemented in 67 elementary schools, eight middle schools, nine high schools, and one K-12 school.<sup>6</sup>

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<sup>1</sup> Section 1003.4996(1), F.S.

<sup>2</sup> Section 1003.4996(2), F.S.

<sup>3</sup> Section 1003.4996(2)(b)&(5), F.S.

<sup>4</sup> Section 1001.10(3), F.S.

<sup>5</sup> Section 1003.4996(3), F.S.

<sup>6</sup> Competency-Based Education Pilot Program, 2016-2017 Annual Report.

## *Awarding of Credit*

Current law defines, for purposes of high school graduation requirements, one full credit as a minimum of 135 hours of bona fide instruction in a designated course of study that contains student performance standards, except as otherwise provided through the Credit Acceleration Program (CAP). For districts that have been authorized to implement block scheduling, one full credit means a minimum of 120 hours of bona fide instruction in a designated course of study that contains student performance standards. The State Board of Education determines the number of postsecondary credit hours earned through dual enrollment that equal one full credit of the equivalent high school course.<sup>7</sup>

In awarding credit for high school graduation, each district school board must maintain a one-half credit earned system that includes courses provided on a full-year basis. A student enrolled in a full-year course must receive one-half credit if the student successfully completes either the first half or the second half of a full-year course but fails to complete the other half of the course.<sup>8</sup>

## *Middle and High School Grading System*

Under current law, the grading system and interpretation of letter grades used to measure student success in grade 6 through grade 12 courses is as follows:

- Grade “A” equals 90%-100%, has a grade point average value of 4, and is defined as “outstanding progress.”
- Grade “B” equals 80%-89%, has a grade point average value of 3, and is defined as “above average progress.”
- Grade “C” equals 70%-79%, has a grade point average value of 2, and is defined as “average progress.”
- Grade “D” equals 60%-69%, has a grade point average value of 1, and is defined as “lowest acceptable progress.”
- Grade “F” equals 50%-59%, has a grade point average value of zero, and is defined as “failure.”
- Grade “I” equals zero percent, has a grade point average value of zero, and is defined as “incomplete.”<sup>9</sup>

For purposes of class ranking, districts are authorized to exercise a weighted grading system in accordance with the weighted provisions allowed in dual enrollment courses.<sup>10</sup>

## Effect of Proposed Changes

The bill renames the Competency-Based Education Pilot Program to the Mastery-Based Education Pilot Program and allows any district in the state to apply to the DOE for participation. The pilot program is for five years.

The bill provides that school districts participating in the Mastery-Based Education Pilot Program may award credit as a student demonstrates mastery of the core content and skills, consistent with the Next Generation Sunshine State Standards, rather than awarding credit only if the student receives 135 or 120 hours of instruction. Participating districts may also use an alternative interpretation of letter grades to measure student success in grades 6 – 12.

One form of alternative grading system is a standards-based grading system which is used in conjunction with standards-based instruction, assessments, and academic reporting. The standards-based systems are based on students demonstrating understanding or mastery of the knowledge and

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<sup>7</sup> Section 1003.436(1)(a), F.S.

<sup>8</sup> Section 1003.436(2), F.S.

<sup>9</sup> Section 1003.437, F.S.

<sup>10</sup> *Id.*

skills they are expected to learn as they progress through their education. In most high schools, students typically earn credit for passing a course, but a passing grade may be an A or it may be a D, suggesting that the awarded credit is based on a spectrum of learning expectations—with some students learning more and others learning less—rather than on the same learning standards being applied to all students equally. And because grades may be calculated differently from school to school or teacher to teacher, and they may be based on different learning expectations (for example, some courses may be “harder” and others “easier”), students may pass their courses, earn the required number of credits, and receive a diploma without acquiring the most essential knowledge and skills described in standards. The following is an example of a standards-based report card:<sup>11</sup>

**Grade 3**

Student Name: \_\_\_\_\_ Teacher: \_\_\_\_\_

School: \_\_\_\_\_

**Grading Key**

- 4 Exceeds expectations
- 3 Meets expectations
- 2 Progressing toward expectations
- 1 Not meeting expectations
- X Skill/concept not introduced or tested

	Q1	Q2	Q3	Q4
<b>READING</b>				
Understands what is read				
Uses comprehension strategies				
Understands/applies new words				
Reads fluently				
Selects materials/reads independently				
EFFORT				

At least one of the current participants is transitioning to a standards-based grading system to provide parents, students and teachers with more accurate information about students’ progress toward meeting content and skill standards. Students receive a separate designation of progress for each subject within a course which allows for better support to students with goal-setting and overall achievement of the academic standards by clearly communicating progress in a subject (rather than an entire course). Student progress is reported as a level of proficiency, i.e., *Expert, Proficient, Approaching Proficiency, Not Meeting, and Insufficient Evidence*.<sup>12</sup>

Beginning with the 2018-2019 school year, districts currently participating in the program may amend their application to include alternatives for awarding credit and alternatives for the interpretation of middle and high school grades. Applications that are amended must be approved by the district school board. Districts applying for the first time would include these requests in their initial application.

Alternatives to awarding credit must include a verification of the student’s mastery of the applicable course content using rigorous scoring rubrics to evaluate the student’s work.

The bill also requires the statewide articulation agreement to ensure fair and equitable access for high school graduates with mastery-based, nontraditional diplomas and transcripts.

<sup>11</sup> Education Reform, *Standards-Based*, at <http://edglossary.org/standards-based/>

<sup>12</sup> Standards-Based Grading, *What is Standards-Based Grading*, at <https://pk Yonge.ufl.edu/academics/standards-based-grading/>

## Gardiner Scholarship Program

### Present Situation

The Gardiner Scholarship Program (GSP) was established in 2014 to provide parents of eligible students with disabilities more flexibility to customize their child's education.<sup>13</sup> Funds are distributed to qualified<sup>14</sup> Scholarship Funding Organizations (SFO) to establish accounts for eligible students.<sup>15</sup> Parents can use funds from their account to choose from a variety of approved items for their student including, but not limited to: specialized services, curriculum, instructional materials, tuition, and contracted services.<sup>16</sup>

Eligible students must:

- be 3- or 4-years-old or eligible to enroll in kindergarten through 12th grade in a public school in this state;
- have one of the following disabilities: autism spectrum disorder, cerebral palsy, Down syndrome, an intellectual disability, Phelan-McDermid syndrome, Prader-Willi syndrome, spina bifida, muscular dystrophy, is identified as a high-risk child, Williams syndrome, muscular dystrophy, rare disease affecting fewer than 200,000 people in the U.S., anaphylaxis, deaf, visually impaired, traumatic brain injured, dual sensory impaired or specified hospital or homebound; and
- have an Individual Education Plan (IEP) written in accordance with rules of the state board or has received a diagnosis of one of the above disabilities from a licensed physician or a licensed psychologist.<sup>17</sup>

Program funds must be used to meet the individual educational needs of the student and may be spent for the following purposes:

- instructional materials and curriculum.
- specialized services by approved providers, including but not limited to, applied behavior analysis, speech language pathologist, occupational therapy, physical therapy, and services provided by listening and spoken language specialists.
- enrollment in, or tuition and fees for enrollment in a home education program, an eligible private school or postsecondary education institution or a program offered by the institution, a private tutoring program, or virtual education programs or courses.
- fees for nationally standardized, norm-referenced achievement tests, Advanced Placement examinations, industry certification examinations, assessments related to postsecondary education, or other assessments.
- contributions to the Stanley G. Tate Florida Prepaid College Program or the Florida College Savings Program.
- contracted services provided by a public school or school district, including classes.
- tuition and fees for part-time tutoring services provided by an individual who has a valid Florida educator's certificate, an adjunct teaching certificate, or has demonstrated mastery of subject area knowledge.
- fees for specialized summer or after-school education programs.
- fees for transition services provided by job coaches.
- fees for an annual evaluation utilized by home education students.
- tuition and fees associated with programs offered by VPK education and school readiness providers.

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<sup>13</sup> Section 1002.385(1), F.S.

<sup>14</sup> Section 1002.385(2)(e), F.S. (2016)

<sup>15</sup> Section 1002.385, F.S.

<sup>16</sup> Section 1002.385(5), F.S. (2016)

<sup>17</sup> Section 1002.385(3)(a), F.S. (2016)

- fees for services provided at a center that is a member of the Professional Association of Therapeutic Horsemanship International.
- fees for services provided by a therapist who is certified by the Certification Board for Music Therapists or credentialed by the Art Therapy Credentials Board, Inc.<sup>18</sup>

### Effect of Proposed Changes

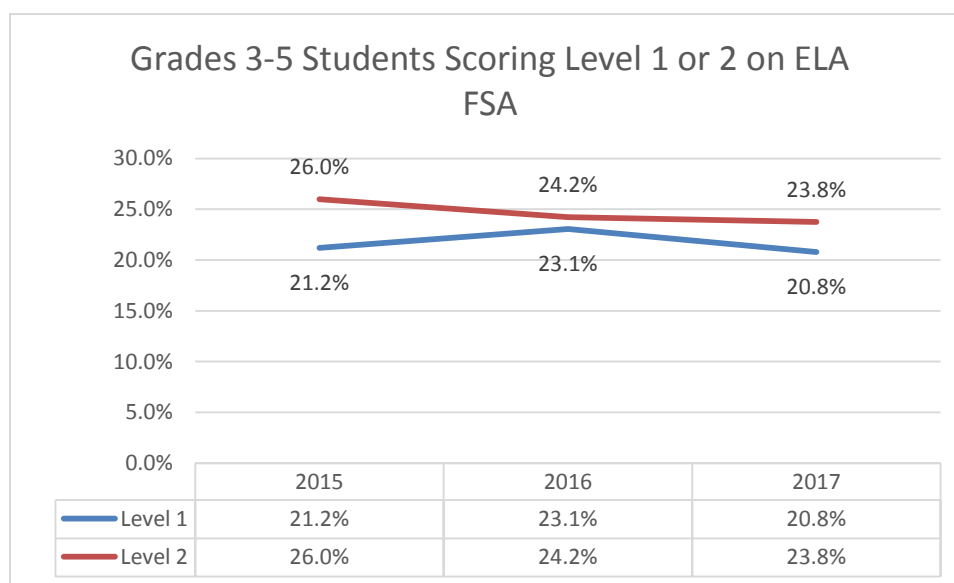
The bill expands the allowable uses of the GSP funds to include tuition and fees:

- for part-time tutoring by a person with a bachelor’s degree or graduate degree in the subject area in which instruction is given; and
- associated with enrollment in a nationally or internationally recognized research-based training program for a child with a neurological disorder or brain damage.

### **Struggling Readers**

#### Present Situation

Recent data from the English Language Arts Florida Standards Assessment indicate that nearly half of Florida’ students are reading below grade level.<sup>19</sup>



The law requires schools to identify students with a substantial reading deficiency in kindergarten through grade 3 and to provide them with intensive reading interventions.<sup>20</sup> In addition, school districts have a variety of intervention options available to help students improve their academic performance, from instructional materials to intervention systems that allow teachers and schools to monitor the progress of students and determine appropriate supports. The law requires districts to develop and implement a multi-tiered system of supports (MTSS), which utilizes a problem-solving process to identify and support student needs based upon available data, including attendance, behavior and discipline, statewide assessment, and progress monitoring data.<sup>21</sup> The process must include parent

<sup>18</sup> Section 1002.385(5)(m), F.S. (2016)

<sup>19</sup> Florida Department of Education, PK-12 Education Information Portal, <https://edstats.fldoe.org/SASPortal/main.do> (last visited Jan. 29, 2018).

<sup>20</sup> See s. 1008.25(5)(a), F.S.

<sup>21</sup> See Rules 6A-6.0331(1) and 6A-1.099811(2)(r), F.A.C.

involvement, student observation, review of data, vision and hearing screening to rule out sensory deficits, and evidence-based interventions implemented in the general education environment.<sup>22</sup>

However, even with available supports and interventions, many students are unable to meet grade level ELA standards.

### Effect of Proposed Changes

The bill establishes Reading Scholarship Accounts to provide funds for public school students to purchase certain programs or services that will assist them in improving their reading skills. Eligibility for an account is limited to students in grades 3 through 5 who scored below a Level 3 on the Grade 3 or Grade 4 statewide, standardized English language arts (ELA) assessment in the previous school year. The scholarship must be offered on a first-come, first-served basis, contingent upon available funds. An eligible student classified as an English Learner who is enrolled in a program or receiving services specifically designed for English Learners shall receive priority.

In order to participate, the parent and student must:

- submit an application to an eligible scholarship funding organization by the deadline established by the scholarship funding organization;
- submit eligible expenses to the scholarship funding organization for reimbursement of qualifying expenditures, which may include:
  - instructional materials;
  - curriculum, which means a complete course of study for a particular content area or grade level, including any required supplemental materials and associated online instruction;
  - tuition and fees for part-time tutoring services provided by a person who holds a baccalaureate degree in the subject area; a person who holds an adjunct teaching certificate,<sup>23</sup> or a person who has demonstrated a mastery of subject area knowledge,<sup>24</sup>
  - fees for summer education programs;
  - fees for after-school education programs;
- be responsible for the payment of all eligible expenses in excess of the amount in the account and the terms agreed to between the parent and the providers; and
- not receive any refund or rebate of any expenditures made in accordance with the purchase of allowable services.

The program must be administered by a scholarship funding organization (SFO) that is eligible to participate in the FTC.<sup>25</sup> The organization may establish reading scholarship accounts for eligible students in accordance with current requirements of such organization, including but not limited to:

- Verification of eligible students
- Verification of eligible expenditures
- Applications for scholarships
- Issuing scholarships on a first-come, first-served basis
- Complying with annual expenditure requirements<sup>26</sup>

Additionally, a participating SFO:

- may develop a system for payment of benefits by funds transfer, including, but not limited to, debit cards, electronic payment cards, or any other means of payment that the department deems to be commercially viable or cost-effective;
- must provide payments no less frequently than on a quarterly basis; and

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<sup>22</sup> Rule 6A-6.0331(a), F.S.

<sup>23</sup> See s. 1012.57, F.S.

<sup>24</sup> See s. 1012.56(5), F.S.

<sup>25</sup> See s. 1002.395(16), F.S.

<sup>26</sup> See s. 1002.395(6), F.S.

- may receive up to 3 percent of the amount of each scholarship award from state funds for administrative expenses if the organization has operated as a nonprofit entity for at least the preceding 3 fiscal years and did not have any findings of material weakness or material noncompliance in its most recent audit as required by law.<sup>27</sup>

By September 30, the school district must notify the parent of each student in grades 3 through 5 who scored below a Level 3 on the assessment in the previous school year of the process to request and receive a scholarship.

The bill provides the DOE the same oversight responsibilities as those required in existing scholarship programs.<sup>28</sup> The DOE must provide a student's scholarship funds to the organization once the organization has notified the DOE of a student's eligibility. For the 2018-2019 school year, the scholarship amount per eligible student is \$500. Thereafter, the maximum amount per eligible student must be provided in the General Appropriations Act. One hundred percent of the funds must be released to the DOE at the beginning of the first quarter of each fiscal year.

Additionally, for the 2018-2019 fiscal year, the bill provides \$970,000 in recurring funds from General Revenue to fund the reading scholarships and \$300,000 in recurring funds from General Revenue for the administrative fee for the participating SFOs. This funding is contingent upon CS/HB 7055 or similar legislation in the 2018 Regular Session of the Legislature or an extension thereof failing to become law.

A student's scholarship account must be closed and any remaining funds revert to the state after:

- denial or revocation of program eligibility by the Commissioner of Education for fraud or abuse, including, but not limited to, the student or student's parent accepting any payment, refund, or rebate, in any manner, from a provider of any services received; or
- three consecutive fiscal years in which an account has been inactive.

## B. SECTION DIRECTORY:

**Section 1.** Amends s. 1002.385, F.S., relating to the Gardiner Scholarship.

**Section 2.** Creates s. 1002.411, F.S., establishing the Reading Scholarship Account.

**Section 3.** Amends s. 1003.436, F.S., relating to definition of "credit."

**Section 4.** Amends s. 1003.437, F.S., relating to middle and high school grading system.

**Section 5.** Amends s. 1003.4996, F.S., relating to the Competency-Based Education Pilot Program.

**Section 6.** Amends s. 1007.23, F.S., relating to the statewide articulation agreement.

**Section 7.** Provides an appropriation to fund Reading Scholarship Accounts and to provide an administrative fee for participating SFOs.

**Section 8.** Provides an effective date of July 1, 2018.

<sup>27</sup> See s. 1002.395(6)(m), F.S.

<sup>28</sup> See ss. 1002.385(9), F.S., 1002.39(9), F.S., and 1002.395(9), F.S.



## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill appropriates \$9,700,000 in recurring funds from General Revenue to fund the reading scholarship accounts and an additional \$300,000 in recurring funds from General Revenue for the administrative fee for the participating SFOs. The allocation of these funds is contingent upon CS/HB 7055 or similar legislation in the 2018 Regular Session of the Legislature or an extension thereof failing to become law.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

### D. FISCAL COMMENTS:

None.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

### B. RULE-MAKING AUTHORITY:

None.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 15, 2018, the Education Committee adopted one amendment and reported HB 1035 favorably as a committee substitute. The amendment:

- Expanded allowable uses of Gardiner Scholarship funds to include tuition and fees

- for part-time tutoring by a person with a bachelor's degree or graduate degree in the subject area in which instruction is given;
  - associated with a nationally or internationally recognized research-based training program for a child with a neurological disorder or brain damage;
- Established the Reading Scholarship Account to provide struggling readers with a scholarship that parents can use to customize a reading program for their student to improve reading skills; and
- Provided appropriations for the Reading Scholarship Account to fund scholarships and administrative fees for participating SFOs.

The bill analysis is drafted to the committee substitute as passed by the Education Committee.